



USDA Foreign Agricultural Service

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## European Union

## Trade Policy Monitoring

## EU-Israel Association Agreement

## 2004

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**Report Highlights:**

The agreement on agricultural trade liberalization between the EU and Israel entered into force on January 1, 2004. The agreement takes the form of an exchange of letters between the EU and the state of Israel and replaces the protocols to the EU-Israel Association Agreement regarding reciprocal agricultural trade.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brussels USEU [BE2]  
[E2]

## EU-Israel Association Agreement

The agreement on agricultural trade liberalization between the EU and Israel entered into force on January 1, 2004 after being approved by the EU Council of Ministers on December 22, 2003 and by the relevant Israeli authorities. The agreement takes the form of an exchange of letters between the EU and the state of Israel and replaces the protocols to the EU-Israel Association Agreement regarding reciprocal agricultural trade (Council and Commission Decision 2000/384/EC). The revision of the agricultural protocols is in line with the "Barcelona Process" which aims at the gradual creation of a Euro-Mediterranean free trade area by 2010. From January 1, 2004 to January 1, 2007, the tariff quotas listed in the new protocols will be increased annually by 3%. A new revision for further farm trade liberalization should take place in 2007 and enter into force in 2008.

So far, Association Agreements have been concluded with Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestinian Authority (Interim Agreement) and Tunisia. Negotiations with Syria are at a less advanced stage.

Council Decision 2003/197/EC on the new protocols to the EU-Israel Association Agreement was published in Official Journal L 346 on December 31, 2003 and can be downloaded from the Internet at [http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/L\\_346/L\\_34620031231en00670087.pdf](http://europa.eu.int/eur-lex/pri/en/oj/dat/2003/L_346/L_34620031231en00670087.pdf).

## Tariff Quotas

The EU has granted Israel further concessions for imports of fresh fruit (melons and grapes), fresh and processed vegetables (tomatoes and processed tomatoes, potatoes, peppers, salads, dried vegetables), processed citrus fruit, juices, turkey and turkey preparations and wine. However, the tariff quota for preferential exports of Israeli orange juice to the EU has been halved "on the basis of current trend in Israeli export capacity". This cut partly reflects changes agreed in November 2001 when the EU decided that orange juice originating from Israeli settlements in the West Bank, Gaza Strip, East Jerusalem and the Golan Heights cannot benefit from the preferential import regime (EU Notice 2001/C 328/04).

Israel has increased existing tariff quotas and has reduced former preferential duties to zero for imports from the EU of meat, dairy products (milk, cheese, whey and butter), onions and garlic, prepared and dried vegetables, apples, peas, rice, sugar, prepared fruit and juices, oils, preparations for animal food, vinegar and wine.

## Statistics

Product (2-digit HS code)	JANUARY – DECEMBER 2002, in Metric Tons		
	EU Imports from Israel	EU Exports to Israel	U.S. Export to Israel
01 - Live animals	17	43	121 245
02 - Meat	1 224	943	1 082
03 - Fish	436	5 475	764
04 - Dairy	1 599	10 677	1 826
05 - Animal Products	65	119	9
06 - Live trees & cut flowers	35 447	1 350	0
07 - Vegetables (fresh)	15 8742	40 785	2 119
08 - Fruit (fresh)	250 936	5 816	14 683
09 - Coffee, tea, spices	2 455	2 165	235
10 - Cereals	31	92 481	1 313 605
11 - Milling products	90	75 086	4 645
12 - Oilseeds	18 266	27 567	579 259
13 - Lac, gums, resins	839	2 634	156
14 - Vegetable plaiting	507	128	5 917
15 - Fats & oils	581	24 359	37 248
16 - Meat & Fish preparations	3 945	2 237	285
17 - Sugar & Confectionery	28 721	481 140	4 189
18 - Cocoa & cocoa products	617	10 331	167
19 - Cereal preparations, flour & starch	5 198	40 083	4 843
20 - Vegetable & Fruit preparations	82 649	22 237	5 034
21 - Misc. edible preparations	26 914	11 609	7 262
22 - Beverages	2 845	107 265	1 137
23 - Residues & waste	5 843	32 217	264 642
24 - Tobacco	0	1 957	940
<b>Total</b>	<b>627 967</b>	<b>998 702</b>	<b>2 248 908</b>

Product (2-digit HS code)	JANUARY – DECEMBER 2002, in 1,000 US Dollars		
	EU Imports from Israel	EU Exports to Israel	U.S. Export to Israel
01 - Live animals	3 065	2 896	1 821
02 - Meat	9 069	8 570	873
03 - Fish	6 503	6 145	2 511
04 - Dairy	1 942	1 835	4 017
05 - Animal Products	204	193	320
06 - Live trees & cut flowers	149 607	141 364	46
07 - Vegetables (fresh)	13 069	130 462	2 743
08 - Fruit (fresh)	185 783	175 547	33 525
09 - Coffee, tea, spices	8 516	8 046	926
10 - Cereals	18	17	150 718
11 - Milling products	67	63	2 779
12 - Oilseeds	56 175	53 080	120 996
13 - Lac, gums, resins	3 551	3 355	879
14 - Vegetable plaiting	882	834	2 020
15 - Fats & oils	3 312	3 130	11 461
16 - Meat & Fish preparations	14 593	13 789	1 394
17 - Sugar & Confectionery	31 930	30 171	2 745
18 - Cocoa & cocoa products	2 586	2 444	481
19 - Cereal preparations, flour & starch	11 213	10 595	10 202
20 - Vegetable & Fruit preparations	70 421	66 541	11 898
21 - Misc. edible preparations	59 948	56 646	61 757
22 - Beverages	4 853	4 585	3 527
23 - Residues & waste	6 129	5 791	38 359
24 - Tobacco	3	3	54 310
<b>Total</b>	<b>768 440</b>	<b>726 103</b>	<b>520 309</b>

Sources: European Commission, Eurostat, U.S. Census Bureau

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E22128	EU-Chile Association Agreement	12/23/2002
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